

REQUEST FOR APPLICATIONS

2007 Southeast Alaska Salmon Marketing Grant Program
Grant Application Guide

ISSUED BY:

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
OFFICE OF ECONOMIC DEVELOPMENT

JULY 3, 2007



Notice to Reviewer

Federal funds used to carry out the 2007 Southeast Salmon Marketing Grant Program come from the Pacific Coastal Salmon Recovery Fund. As a condition of that funding, projects must be related to Southeast Alaska salmon. Consequently, this program is open only to marketers of Alaska salmon harvested in Southeast Alaska.

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I. General Information

Welcome to the 2007 Southeast Alaska Salmon Marketing Grant Program. This is the Request for Application packet, also referred to as the Application Guide. Supplemental to this Application Guide is an Application Format. There are no application forms. In preparing an application under this program, follow the requirements of this Application Guide and the structure of the Application Format.

A. Issuing Agency and Contact Person

This Request for Applications is being issued by:

State of Alaska
Department of Commerce, Community and Economic Development
(Commerce)
Office of Economic Development

P.O. Box 110804
Juneau, Alaska 99811-0804 **(Mailing Address)**

333 Willoughby Avenue, 9th Floor
Juneau, Alaska 99801 **(Delivery Address)**

Attention: Debbie Maas

Phone Number: (907) 465-2023
Fax Number: (907) 465-5085
E-mail: debbie.maas@alaska.gov

B. Additional Information and Assistance Available

Potential applicants should carefully review this Request for Applications for errors, questionable or objectionable materials, and items requiring clarification. Applicants should either put the comments and/or questions in writing and mail them to the above address or phone the above individual as soon as possible.

Commerce may issue a written clarification to all those who initially receive a copy of the Request for Applications or respond only to the individual asking the question.

IMPORTANT - Commerce will screen all applications to assure adherence to the Application Guide and Application Format. Applications that do not address the requirements of the guide and format will be dismissed.

C. Introduction of the 2007 Southeast Alaska Salmon Marketing Grant Program

The Alaska Salmon Marketing Grant Program (ASMP) is intended to assist Alaska salmon marketers to fund industry's "best thinking" on how to most effectively market

wild Alaska salmon. The Southeast ASMP targets marketers of salmon harvested in Southeast Alaska.

Funding for this program is uncertain. It is anticipated that up to \$875,000 may be available. The actual amount of funds allocated, or any portion of, will be determined after review of all eligible grant applications received and final determination of available funding. Commerce reserves the right to alter such allocations for other purposes. This grant application solicitation in no way requires Commerce to expend or grant any funds for the purposes discussed herein.

D. Who May Apply

Eligibility (eligible applicant) is limited to:

Those individuals or companies that are properly licensed by the State of Alaska to process and / or export seafood from Alaska for the 2005, 2006, or 2007 season¹ with operations in Southeast Alaska. Holding a catcher / seller permit issued by the Alaska Department of Fish and Game is not sufficient to establish eligibility under this grant program. Applicants applying under the mini- or micro grant category must evidence meeting the U.S. Small Business Administration's (SBA) definition of a small business as defined by the SBA's Office of Size Standards found at <http://www.sba.gov/size/>.

Applications will be accepted under the following three programs:

- Salmon Marketing Major-Grant Program: This portion will be directed to major processors / marketers and geared to the scale and capabilities of larger companies. This program is open to all applicants who meet the eligibility criteria listed in this section's opening paragraph. There is no specified maximum award amount for a Major-Grant, but funds are limited and applications will be judged on reasonableness and overall demand for funding.
- Salmon Marketing Mini-Grant Program: Directed to mid-sized and growing companies and programs. This program is open to those applicants that meet the threshold identified by SBA requirements. The award for a Mini-Grant will not exceed \$200,000 unless the commissioner approves a larger award based on the merits of the proposal and available funds.
- Salmon Marketing Micro-Grant Program: Directed towards the small and emerging marketing sector, which includes the primarily Alaskan direct marketing sector. This program is open to businesses that meet the threshold identified by SBA requirements, and that have no more than ten (10) full-time equivalent employees.²

¹ Applicant must hold a Fisheries Business License issued by the Alaska Department of Revenue.

² A full time equivalent employee is defined as 2,040 hours worked in a year. For the purposes of a micro-grant application, an applicant must evidence a payroll of less than 20,400 hours for the last calendar year.

The award for a Micro-Grant will not exceed \$25,000 unless the commissioner approves a larger award based on the merits of the proposal and available funds.

Applications may include marketing plans from the three different programs, provided they meet the criteria for application within those programs. Each separate marketing plan submitted must have its own budget.

Companies or organizations without a processing license may take part as co-applicants with a licensed processor. All applicants must be in good standing with respect to any and all other legal obligations to the State of Alaska, including payment of all taxes. Companies/organizations without processing licenses applying as a co-applicant for the mini- and micro-grant programs are exempt from meeting the SBA and full-time equivalent standards.

E. Type of Projects

This section requires a description of the project(s). Projects must be complete by May 2008.

ASMP is intended to assist Alaska salmon marketers to fund industry's "best thinking" on how to most effectively market wild Alaska salmon.

Applications may seek funding for activities directly associated with marketing Alaska salmon products that have already undergone product design and development work. Both canned and non-canned product forms are eligible. Products eligible under this program should have already demonstrated market acceptance and be ready for a dedicated marketing plan.

Funded expenses may include promotional activities, familiarization tours, trade shows, related marketing travel, packaging and label design, test product giveaways, tasks related to product marketing, and personnel costs. Indirect administrative services and costs are not allowed.³ Please view the attached "Program Provisions" with details on eligible activities.

Regional marketing/branding programs are not directly eligible for grants under this program but may participate as co-applicants with eligible processor applicants.

F. Project's Budget

Projects must be complete by May 30, 2008. Commerce will fund a portion of a marketing plan's costs, based on the program. For applications under the Major Grant Program, Commerce may provide up to 50 percent of the project's entire cost (\$1 to \$1

³ Allowable personnel costs are salary, wages and benefits of personnel directly involved with the applicant's marketing activities under the grant program. Personnel costs associated with processing seafood and other activities unrelated to marketing are specifically not allowed.

match). For the Mini-Grant Program, Commerce may provide up to two-thirds of the project's entire cost (\$2 to \$1 match). For the Micro-Grant Program, Commerce may provide up to 75 percent of the entire cost (\$3 to \$1 match). Applicants are encouraged to provide more than the minimum required match when possible. Match is expected to be cash expenditure above and beyond the current marketing expenditures of the applicant.

This is a cash match, cost reimbursable grant program. Prior to receiving funds, grantees are required to match all expenses. The applicant will be required to expend funds and then seek reimbursement from Commerce.

G. Project's Long-Term Value

This program is intended to provide one-time funding (grants) for new and/or expanded marketing plans. The long-term sustainability and value of the projects is a major consideration.

H. Project Requirements

As of the release of this Application Guide, this Program is evolving. Therefore, Commerce retains the right to change this Program as needed to comply with significant policy decisions.

Additionally, since this Program is being funded with federal money from the U.S. Department of Commerce, National Oceanographic and Atmospheric Administration provided to the State of Alaska, applicants must be aware that, in addition to state requirements, the following federal requirements may apply to Commerce and to its sub-recipient grantees (applicants):

- Section 3016.22 incorporates the Cost Principles dictated by OMB Circular A-87, A-110, FR 31.2, or similar documents.
- Section 3016.37 requires Commerce to give notice of all federal requirements to its sub-recipients.
- Applicants in arrears with the federal government for any money owed may not be eligible for grants under this Program.
- State of Alaska's Single Audit Requirement established under Alaska Administrative Code 2 AAC 45.010.

Applicants should be aware that their application and all supporting documentation, as well as reports submitted pursuant to any grant received, are public information.

II. Submission and Form of an Application

I. Due Date and Number of Copies

An Applicant must submit an original and three copies (a total of four) of the application to the address and individual listed on page one (1) of this Request for Applications. The application is to consist of no more than eight (8) pages, not including the Table of Contents and/or cover page. Font size should be no smaller than size 12, unless handwritten. Margins must be at minimum 1 inch from each side of the paper. Attachments to the body, such as resumes, detailed designs, cost estimates, resolutions, etc. are in addition to the eight-page limit and are to be clearly identified. The application must be postmarked no later than **September 10, 2007**.

An Applicant must provide the information in the format required in Sections I – N set out below. **Applications that do not meet the requirements of Section I - N will be dismissed.** If you are reading this in printed hard copy and would like to access the document in electronic form, you can access this Guide and Format from Commerce's website at <http://www.commerce.state.ak.us/oed/seafood/revitalization/marketing.cfm> or request an electronic copy from the individual listed in Section A. Applicants must submit an application that provides the information in the form required in Sections I – N set out below.

J. Table of Contents

An application must include a Table of Contents, and all pages including appendices must be numbered and reflected accordingly in the Table of Contents.

K. Identify and Discuss the Applicant

An applicant's proposal (grant application) must:

- Identify the applicant.
- Provide a title to the marketing plan to be used consistently through the application.
- Identify the program(s) (major, mini, micro) under which the applicant is applying for grant funds.
- Describe the applicant organization (government, non-profit, for-profit business), duration of existence, organizational diagram, lines of communication, etc.
- Discuss the applicant's experience with similar previous projects, the success of those projects, and current and/or on-going projects.
- Provide the applicant's federal identification number (often a social security number for small businesses).
- Provide the name of the project lead (grant contact).

- Provide the applicant/project lead's physical and mailing addresses, phone and fax numbers. Please also provide email addresses when available.
- Along with identifying the project lead, the applicant must also identify the key personnel, previous experience of each, and ability to successfully complete this project. Individual resumes may be included as part of the applicant's proposal. Individual résumés may also be included as attachments.
- Provide documentation of the applicant's status (may be attached) as a governmental unit (may be self-evident), a non-profit entity, or a for-profit business.
- Provide evidence of appropriate State of Alaska licensing and method of business organization including processing license number.
- Provide documentation or discussion of meeting SBA requirements for mini and micro program applicants. The applicant must clearly demonstrate that it meets the qualification of a small business as defined by the U.S. Small Business Administration. If an applicant is applying for a micro-program, they must demonstrate having no more than ten (10) full-time equivalent employees in 2004.

L. Discuss the Project

An applicant's proposal must provide a detailed and all-inclusive discussion of the project and should include but is not limited to:

- A succinct description of the marketing project.
- Detailed discussion of the project purpose and implementation including completion date of each milestone and how the project will be executed in such a way that all activities are complete and invoices in hand by May 30, 2008.
- Discussion of how the project meets the following:
 1. Demonstration of potential for market acceptance.
 2. Overall quality, creativity and effectiveness of marketing activities.
 3. Clear and prominent identity of the product as Alaska salmon and the positive attributes of Alaska salmon as wild, sustainable and nutritious.
 4. Demonstration of how the end product will increase market recognition.
 5. Employment of identified quality standards and grading procedures in the end product.
 6. Demonstration of how the product will increase market appreciation of Alaska salmon.
 7. Consideration of Alaska involvement. This includes the degree to which Alaska resident employees and fleet contributed to the production and development of the product used in the marketing plan, the use of Alaska shoreside facilities, or

use of floating processing facilities that employ a significant number of Alaska residents.

- Detailed discussion of the project's feasibility. Include all potential obstacles in the current business environment that may hinder or halt the success of the project; ideas or areas of change that would improve the viability of the project; and any other unique characteristics and assumptions that may affect the project.

M. Discuss the Project's Budget

An applicant's proposal must provide a detailed and comprehensive budget in the format provided in the application form. The applicant must also include discussion of the budget that clearly identifies all expenses of the project and must identify and describe in detail all funding sources. Examples include, but are not limited to, Commerce grant funds, applicant's available cash, applicant's proposed loan, revenue generating idea, revenue from another entity, and etc. Also identify the percentage of funding provided by Commerce, applicant, and other sources.

An applicant's match will consist of costs for which the applicant is seeking reimbursement. Commerce will reimburse only on invoices or other appropriate means to verify expense and will only reimburse the agreed upon match rate for those expenses; the portion not reimbursed by Commerce is the applicant's match.

N. Discuss the Project's Long-Term Value

An applicant's proposal must describe the long-term sustainability and expected return the project will generate. Information must be consistent with information presented elsewhere in the applicant's proposal. Discussion should include but is not limited to how the project will facilitate the following in the long-term:

- increase Alaska seafood product quality;
- increase Alaska seafood/product diversity and/or value in the consumer or food service market(s);
- increase profitability for the processing sector of the industry;
- increase profitability for the harvesting sector of the industry;
- volume of product moved; and
- increase economic activity within the community and/or region impacted by the project.

III. Review and Evaluation of Applications

O. Initial Review of Applications

Prior to evaluating the grant applications, Commerce will perform an initial review to identify grant applications that do not meet the minimum requirements and/or have not provided the minimum information and/or are otherwise deemed unresponsive to the requirements set forth herein. Commerce in its sole discretion may contact the applicant for additional information or Commerce may declare the application as non-responsive and reject it in its entirety. If rejected, the grant application will be eliminated from the evaluation process and the applicant will be notified accordingly.

P. Evaluation of Applications

Upon completion of the initial review, remaining applications will be forwarded to an evaluation committee comprised of staff members from the Departments of Commerce, Community and Economic Development, Fish and Game, and Labor and Workforce Development. Each member of the evaluation committee will independently evaluate each grant application based on the criteria, evaluation factors, and numerical values identified in this Application Guide and summarized below:

For ASMP projects:

Eligible Applicants	15
Eligible Projects -- Description	25
Eligible Projects -- Duration and Amount (Budget)	20
Eligible Projects -- Long-term Value	40
Maximum Possible Points	100

- The Evaluation Committee, at its sole discretion, may decide if additional discussion with, or presentations by, applicants are required and/or if site inspections are necessary. Following any such discussions, presentations or site visits, members of the Evaluation Committee may change their individual scores based on the additional information provided.
- The individual Evaluation Committee members will have the opportunity to meet as a Committee to discuss the grant applications before and/or after their individual review and scoring. Members of the Evaluation Committee may change their individual scores based on these discussions.
- When the individual Evaluation Committee members have completed their scoring, the total points for each grant application will be determined.

- Applications and ranking information will be forwarded to the commissioners of the Departments of Fish and Game, Labor and Workforce Development and the Fisheries Policy Advisor to the governor or their designees. Members will advise the department, taking into consideration the numerical ranking determined by the Evaluation Committee and other factors.

Q. Notification of Applicants

All Applicants will be notified upon completion of the evaluation process.

Commerce will make preliminary award determinations. Applicants receiving a preliminary award will work with Commerce on all outstanding requirements. Once all requirements have been met, the successful applicant will have the opportunity to enter into a Grant Agreement.

All applicants that receive a preliminary award determination must verify they are in good standing with all laws and regulations of the State of Alaska, including seafood tax, workers compensation and other regulations.

Unsuccessful applicants have a chance to seek reconsideration. Commerce, at its sole discretion, may consider the reconsideration and will notify the applicant accordingly.

Application Format

In preparing the application for consideration, please follow this format and refer back to the Application Guide for detailed instructions on each section. This format refers to the information required in sections I - N of the Application Guide.

Table of Contents

I. Applicant Information

- A. Applicant
- B. Project plan title (this must be consistently used throughout the application)
- C. Program(s): major, mini, micro
- D. Organization
 - 1. Name
 - 2. Organization type/status
 - 3. History
 - 4. Organization diagram
 - 5. Lines of communication
 - 6. Relevant experience
 - 7. Federal identification number
- E. Grant contact and key personnel
 - 1. Name(s)
 - 2. Physical and mailing addresses
 - 3. Phone and fax number
 - 4. Email address (if available)
- F. Documentation
 - 1. Documentation (may be attached) of applicant's organizational status/type
 - 2. Documentation or discussion of meeting SBA requirements for mini and micro programs
 - 3. Documentation of fisheries business license including license number (may be attached)

II. Project Description

- A. Detailed discussion of project
- B. Detailed discussion of purpose and implementation including milestones and project completion
- C. Demonstration of potential for market acceptance.
- D. Overall quality, creativity and effectiveness of marketing activities.
- E. Clear and prominent identity of the product as Alaska salmon and the positive attributes of wild and nutritious.
- F. Demonstration of how the end product will increase market recognition.
- G. Employment of identified quality standards and grading procedures in the end product.

H. Demonstration of how the product will increase market appreciation of Alaska salmon.

I. Consideration of Alaska involvement.

J. Discussion of project feasibility

III. Project Budget

A. Budget sheet under the following format:

Expense Description	Amount Requested	Match	Total
Totals			

B. Identification of expenses

C. Identification of all funding sources

IV. Long Term Value

A. Discussion of the project's long-term sustainability and expected return.

B. Discussion of how the project will increase:

1. Alaska seafood product quality;
2. increase Alaska seafood/product diversity and/or value in the consumer or food service market(s);
3. increase profitability for the processing sector of the industry;
4. increase profitability for the harvesting sector of the industry;
5. volume of product moved; and
6. increase economic activity within the community and/or region impacted by the project.

Possible Attachments

- Incorporation documentation
- Evidence of meeting SBA requirements
- Plan contributor resumes
- Other

Southeast Alaska Salmon Marketing Program Program Provisions

Article 1. Product Samples

Documentation outlining the production costs of samples or invoices for product from in-store demonstrations must be included with all applicable requests for reimbursement. Reimbursement is contingent on the Department's approval of such documentation.

Article 2. Advertising/Design Work/Promotional Materials

All grant-funded advertising, design work, web development and promotional materials must include the following:

- Clear and prominent indication that the product is wild salmon
- Clear and prominent indication that the product is from Alaska
- Clear and prominent indication that the product is sustainable
- Clear emphasis on nutritional value/health benefits

All reimbursable advertising must be entirely distinct from the Grantee's advertising of any salmon product that is not wild Alaska salmon. A variation of the word "sustainable" must be included unless similar language is approved by the Department. The statement of nutrition must indicate at least one health benefit of the product. Standard FDA nutritional information does not meet this requirement.

Copies of designs, promotional materials, web page addresses, print ads, transcripts or tape recordings of radio promotions, videos, or other similar documentation must be submitted with all applicable requests for reimbursement. Reimbursement will be contingent on the Department's approval of such documentation. The Grantee may submit drafts to the Department for pre-approval. Logo designs and retailer coupons are exempt from the requirements of this article.

Article 3. Trade Shows/Customer Visits

The following list outlines eligible, ineligible and maximum reimbursable costs for travel to trade shows and customer visits. The Grantee will incur all costs above the specified amount.

- Travel: Tickets must be for coach class and purchased at least 14 days in advance. If submitted ticket information is not coach class and/or purchased 14 days in advance, the Department will reimburse at the 14 day fare and coach class, or its best estimate. Travel is limited to two people with one day of travel before the show/visit and one day after. Car mileage will be reimbursed at the current federal rate.
- Personnel: Labor expenses are limited to two people at a total cost of \$200 per day per person (match and grant combined).
- Auto Rental: Rental cars may not exceed a mid-size vehicle unless the Grantee demonstrates that a larger vehicle is necessary.
- Equipment: Equipment expenses will only be reimbursed if the equipment is clearly linked to the event.
- Meals, Incidentals: The Department will reimburse for meals according to the federal per diem rate established at the following internet sites:
<http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/perd05d.html> (domestic) or <http://www.state.gov/m/a/als/prdm/> (foreign).
Grantees are not required to submit receipts for meal expenses.
- Lodging: Lodging expenses will be reimbursed at the actual cost to the Grantee (not to include room service, movies, phone charges, or other non-essential costs) up to the maximum federal rate stated at the following web pages:
<http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/perd05d.html> (domestic) or <http://www.state.gov/m/a/als/prdm/> (foreign).
- Preparation: Administrative and personnel costs associated with researching and preparing for trade shows and customer visits are not eligible for reimbursement without the pre-approval of the Department.
- Other: Booth space, rental items and shipping (including samples and materials associated with trade show attendance) are eligible for reimbursement at the cost to the Grantee.

Article 4. Operational Costs

Operational costs associated with running the Grantee's business are not eligible for reimbursement. Examples of ineligible activities include:

- Phone and internet access
- Subscriptions and memberships
- Processing of product (unless used as a sample under an eligible promotion)
- Packaging material
- Overhead/indirect expenses

Article 5. Personnel

The Department will not reimburse personnel costs unless they are specifically tied to a promotional event or activity and so indicated in documentation submitted to the Department and part of the approved costs associated with the grant. Personnel costs associated with setting up promotional activities are not eligible for reimbursement without the Department's approval.

Article 6. Web Sites

The Department will fund web site designs, revisions and advertising. Internet access and web hosting fees are not reimbursable expenses. Web sites must include the elements described in Article 2.

Article 7. Equipment

Equipment costs will be reimbursed only if the equipment is necessary to carry out approved marketing activities. Office equipment, processing equipment, video/photography equipment and any other equipment not essential to the marketing project are not eligible for reimbursement.

Article 8. Slotting

If approved in the grant agreement, the Department will fund slotting fees associated with the marketing project.

Article 9. Printing

The Department will reimburse for the costs of printing promotional materials (including brochures, flyers and catalogs), but will not reimburse for printing logos, labels or packaging materials.

Article 10. Familiarization Tours

Eligible familiarization tour expenses are subject to the same general restrictions as trade show/customer visits travel under Article 3. Reimbursable familiarization tour costs include travel to Alaska facilities with a maximum of one day of travel to Alaska and one day of travel back unless an overnight stay en route is demonstrated as necessary. Familiarization tours to facilities outside Alaska are not eligible for reimbursement.